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BANK OF Nova Scotia
King and Victoria Branch, Toronto, Canada

On behalf of the Board,

Pat. J. Hughes.

PROGRESS REPORT

to Shareholders

26 June, 1967

President

26 June 1967

ANGLO UNITED DEVELOPMENT
CORPORATION LIMITED
and its wholly-owned subsidiary
Anglo United Investments Limited

EXECUTIVE AND HEAD OFFICE
Suite 1905, Seven King Street East, Toronto, Canada

various programs have included geochemical surveying along with follow up geophysical work. Diamond drilling is now in progress to test specific drill targets located as a result of this exploration and will be extended to cover other suitable drill targets.

In addition to the prospecting licence areas previously reported held by the company, which together with those jointly held with associated companies cover a combined area of some 195 square miles, application is being made for further prospecting licences based on reconnaissance exploration findings.

The 1967 Budget of the Government of Ireland includes important new incentives for mineral exploration and development. Under the provisions of the 1967 Budget, the former exemption from corporate income taxes for the initial four years of production and at half rates for the succeeding four year period for all mines brought into production before April of 1976, has been substituted by a complete exemption for a period of 20 years, and the qualifying period extended to April of 1986.

This favorable new tax legislation can be expected to accelerate exploration activity in Ireland. Your company already enjoys a competitive position in respect to its holdings throughout Ireland and intends to further strengthen this position through the application for additional prospecting licences. Shareholders can look forward to a period of sustained exploration activity in respect to the holdings of the company both in Ireland and Canada.

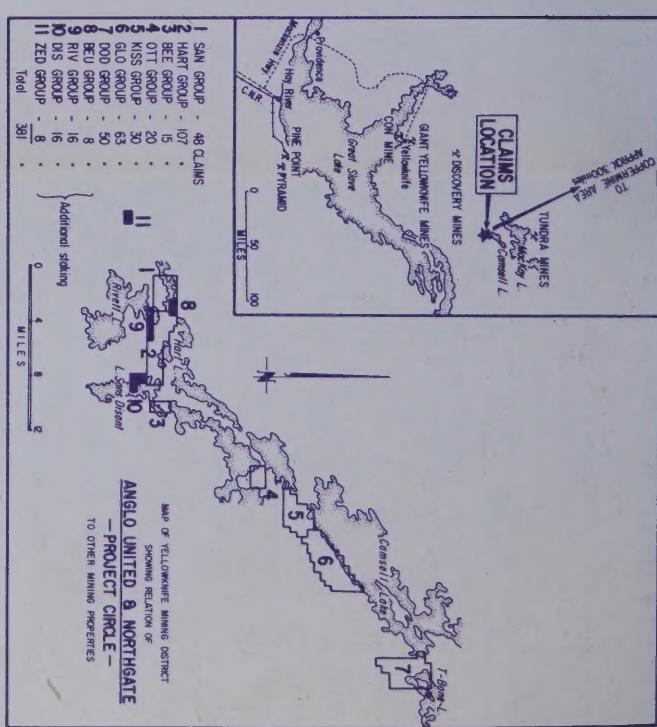


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ANGLO UNITED

Development Corporation
LIMITED



PROGRESS REPORT

Your company continues very active in exploration and expectations are that this year will at least match the tempo and scope of activity achieved in 1966. The following is a summary of the principal current exploration targets.

Project Circle

The 1967 program, in connection with 'Project Circle' commenced on May 9th when a crew was established at the Rivett Lake campsite. This is a continuation of the program initiated early in 1966 to explore an approximate 40-mile favorable greenstone belt north of Great Slave Lake, about 100 miles northeast of the town of Yellowknife, Northwest Territories. A total of 381 claims were staked in this area last year in a joint undertaking in which Nortigate Exploration Limited is participating to the extent of 25%.

Encouraging copper-nickel values were obtained in diamond drilling of one of the numerous conductors outlined by geophysical surveys during 1966 being

fore work was suspended late in the year when extreme weather conditions made it impracticable to continue during the winter. The present tentative budget for the 1967 program is approximately \$100,000 and may be expanded as conditions warrant.

In the initial phase of the 1967 program detailed geophysical work was completed on two conductor areas located during last year's surveying on the 'RIV' claim group just east of Rivett Lake. At least one of these areas on the 'RIV' group, which shows a series of strong conductors in a zone 500 feet wide including one conductor traced for 1,200 feet with indicated widths of up to 50 feet, has been selected for follow-up work.

Latterly in May, a field crew, drill, geophysical equipment and supplies were installed at the campsite on the 'HART' claim group near Lac Sans Disant. Detailed EM and magnetometer surveys were completed on possible drill targets in this area. One of these is a strong conductor traced for about 800 feet

with indicated widths of up to 70 feet, occurring on the nose of a volcanic belt in a tightly folded geological environment. A diamond drilling program is scheduled to commence here during the month of June.

In addition, an EM crew and trenchers were moved to a campsite in the T-Bone Lake Area about 40 miles to the northeast to commence work on the 50-claim 'DOD' group where interesting conductors and associated nickel-copper-zinc mineralization were located in the preliminary work last year.

A comprehensive exploration program including diamond drilling to probe several target areas already indicated, has been scheduled for 'Project Circle' and it is expected that work will be continuous throughout the 1967 season.

Ireland

The company continues active in Ireland, carrying out both reconnaissance exploration and detailed work on its extensive prospecting licence areas. The